

Sent 10/12/07

CENTAUR GIRL PRODUCTIONS INC

1-16-08

## CITY OF LOS ANGELES - BUSINESS TAX APPLICATION

#638606

For assistance in completing this form, please contact or visit any of our offices listed on the cover letter. Completed applications should be mailed to the address noted on the reverse side.

- If you already have a Business Tax Registration Certificate: Enter the account number and complete only the legal name and signature box below, including daytime telephone number. **Tax Registration Certificate Account Number:** \_\_\_\_\_
- If you **do not** have a Business Tax Registration Certificate: Provide applicable information requested below including signature box and daytime telephone number. You will be billed via mail. If you prefer, you can have your tax liability calculated for you over the telephone and remit payment with this form (on reverse side) or you can visit any of our offices for assistance in registration and payment.
- If you believe you are not subject to City of Los Angeles business tax, please refer to the reverse side of this application; check appropriate box and complete applicable section. Complete signature box, including daytime telephone number and return.

**Business Type** (check one): ☐ Individual ☐ Partnership ☒ Corporation

Please print or type:

**Legal Name:** Centaur Girl Productions Inc

Do not use DBA (fictitious name) here

**Social Security No. (SSN) - OR - Federal Employer Identification No. (FEIN):** \_\_\_\_\_

(NOTE: SSN/FEIN is confidential and not part of any public record)

**Business Address:** \_\_\_\_\_

Do not use P. O. Box here

Please check appropriate box

☒ Street Address

☐ Commercial Location

City

☐ Residence

State

Zip Code

**Business Name (DBA):** \_\_\_\_\_

**Care Of (C/O):** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

If different from Business Address

Street Address or P.O. Box

City

State

Zip Code

**Description of Business:** produce digital comic books  
(Provide in Detail)

**Starting Date of Business:** Month October Day 25 Year 2003

**Gross Receipts\*:**

Business activity** / Date activity started	Calendar Year 2004	Calendar Year 2005	Calendar Year 2006
	Gross Receipts	Gross Receipts	Gross Receipts
a) _____	\$ <u>787<sup>02</sup></u>	\$ <u>1217<sup>02</sup></u>	\$ <u>6</u>
b) _____	\$ _____	\$ _____	\$ _____
c) _____	\$ _____	\$ _____	\$ _____

**Please Note:** A minimum business tax is due based on your business activity(ies) for the first year of operation. 2007 - 0

\*If your business is located within the City of Los Angeles and a portion of your gross revenue is derived from outside the City, or your business is located outside the City and a portion of your gross revenue is derived from inside the City, then applicable apportionment formulas may reduce your tax liability.

\*\*Due to the large number of various business activities described under Section 21.53 to 21.197 of the Business Tax Ordinance, it is not practical to list each separately. For specific activities and rates, contact the Office of Finance or visit our website ([www.lacity.org/finance](http://www.lacity.org/finance)).

I declare, under penalty of perjury under the laws of the State of California, that to the best of my knowledge the foregoing is true, correct and complete.

Signature Kathy Gold

Date 10/12/07

Title owner

Daytime Telephone Number (515) 362-7105

Email Address info@kathygold.com





ANTONIO R. VILLARAIGOSA  
MAYOR

\*\*\*\*\*AUTO\*\*SCH 3-DIGIT 913 24  
CENTAUR GIRL PRODUCTIONS, INC. # 638606



October 09, 2007

**RE: CITY OF LOS ANGELES BUSINESS TAX  
AB63 TAX DISCOVERY PROGRAM**

The City of Los Angeles is currently conducting a program to identify businesses that may be operating in the City without obtaining a Business Tax Registration Certificate. We have included you in this mailing because the City received information that indicates you may be engaged in business in Los Angeles and are not currently registered. This notification letter is provided to inform you of the City's Business Tax Requirements. A list of "Frequently Asked Questions" (FAQ) is attached to assist you in determining whether you are engaged in business in the City of Los Angeles.

A review of your recent tax filing with the Franchise Tax Board indicates you or a **spouse** reported business expenses or received income from a business related activity. The Municipal Code for the City of Los Angeles requires that no individual, partnership or corporation shall conduct business within the City of Los Angeles without obtaining a registration certificate and paying applicable business taxes. The Municipal Code applies to self-employed independent contractors and home-based businesses. Our records indicate that you do not have a valid registration certificate and may be out of compliance with L.A.M.C. Section 21.03 (Imposition of Tax).

As you may be liable to pay business taxes for conducting business within the City of Los Angeles, it is important we receive a response to this current notification within 15 business days. If you are not liable to pay these taxes, we still require clarification from you to remove you from future mailings. Failure to respond to this notice may result in further enforcement action. **To assist us in updating our records, please do one of the following within 15 business days:**

- To comply with L.A.M.C. Section 21.03, complete and return the enclosed application to the Office of Finance. Please give a full explanation of your business activities. The Office of Finance will send a billing for applicable liabilities for prior tax years.
- If you believe you are not subject to the City of Los Angeles business tax, please provide a written response describing your position. Upon review of your response, you will be removed from the database or contacted for further information, if further clarification is required.
- If your business is located outside the City of Los Angeles, please provide the business address. We will update our database to reflect this and remove you from future mailings.
- If you are already registered with the City and have a valid Business Tax Registration Certificate, please provide the account number on the application and return it so that we may remove you from future mailings.

For assistance in determining your tax liability, you may call or visit any of our offices listed on the reverse of this letter or complete and return the enclosed application to: **City of Los Angeles, Office of Finance/Revenue Management Division, P.O. Box 53478, Los Angeles, CA 90053-0478.**



In all situations, please remember to sign your form when returning it to the above address. Information regarding the new Business Tax Rates and Exemptions, Enforcement Program and L.A.M.C. Section 21.03 are available at the Office of Finance website ([www.lacity.org/finance/](http://www.lacity.org/finance/)). To review L.A.M.C. Section 21.03, click on Business Tax Ordinance. Your timely response to this inquiry is appreciated so that we may resolve this matter.

Sincerely,  
Office of Finance

#### **CITY HALL OFFICE**

City Hall	200 N. Spring St. (Use Main St. Entrance)	Rm 101	PHONE (213) 473-5901	Open Mon. through Fri.	8 AM to 5PM
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#### **BRANCH OFFICES AND HOURS**

Van Nuys Civic Center	Braude Constituent Svcs. Center 6262 Van Nuys Blvd.	Rm 110	PHONE (818) 374-6850	Open Mon. through Fri.	8 AM to 5PM
West Los Angeles	1828 Sawtelle Blvd.	Rm 102	PHONE (310) 575-8888	Open Mon. through Fri.	8 AM to 5PM
Hollywood	6501 Fountain Ave.		PHONE (213) 485-3935 PHONE (213) 485-6305	Open Mon. through Fri.	8 AM to 5PM
San Pedro	638 S. Beacon St.	Rm 211	PHONE (310) 732-4537	Open Mon., Wed., and Fri.	7:30 AM to 12 PM 1 PM to 4:30 PM
Westchester Municipal Building	7166 W. Manchester Ave.	Rm 9	PHONE (213) 473-6750	Open Tues. and Thurs.	8 AM to 12 PM <b>Only</b>
Watts Civic Center Building	10221 Compton Ave.	Rm 202	PHONE (213) 473-5109	Open Tues. and Thurs.	1 PM to 4:30 PM

**For the latest information about these and other issues, visit our website at [www.lacity.org/finance/](http://www.lacity.org/finance/), call our taxpayer assistance line at (213) 473-5901, or call or visit any of our branch offices listed above. Also, please be aware of the following programs to assist you:**

#### **• DO YOU HAVE OUTSTANDING TAXES DUE THE CITY?**

**Credit Card Payment** The Office of Finance accepts payment by MasterCard, Visa, Discover and American Express.

**Installment Payments** If your tax liability is \$1,000 or more send the completed application with a formal letter requesting to pay the liability in installments and it will be referred to the Billing Unit. Please note that your total liability will include the sum of principal, interest and penalty.



## Frequently Asked Questions For AB 63 Tax Enforcement Program

**1. Question      What is the AB 63 tax enforcement program?**

**Answer**      As a result of recent state legislation, the California State Franchise Tax Board (FTB) is now authorized to disclose certain records related to business activities of residents, corporations and other entities within the City of Los Angeles. By matching the FTB data to our existing records we now have an additional, effective tool to identify unregistered businesses within the City. **Revenue generated by this program will be used to fund future business tax reform and affordable housing.**

**2. Question      Why did I receive a notification?**

**Answer**      Our records show that you or a spouse are reporting some type of business activity to the Franchise Tax Board and may be located in the City of Los Angeles, but have not obtained a Tax Registration Certificate with the City. **Joint filers may receive the notification letter addressed to the primary name listed on the tax return, even though the other name may have the City tax liability.**

**3. Question      How long do I have to respond to the notification?**

**Answer**      Please refer to the letter received for a specific deadline to respond and please be aware that if you have a City of Los Angeles business tax liability and do not respond, interest and penalties on the tax liability will continue to accrue. To file in a timely manner and avoid interest and penalties, City of Los Angeles Business Tax must be filed on or before the end of February each tax year. For tax year 2007, filing must be done on or before February 28, 2007.

**4. Question      What happens if I do not respond?**

**Answer**      If you do not respond, you may be in violation of L.A.M.C. Section 21.03 (Imposition of Tax) and your file could be forwarded to the City Attorney's office for appropriate follow-up.

**5. Question      I started a business this year. Are there any exemptions available for starting a business in the City of Los Angeles or relocating a business to the City?**

**Answer**      L.A.M.C. Section 21.30 provides an exemption for a brand new business that is started in the City of Los Angeles or an existing business from outside the City of Los Angeles that relocates into the City. A brand new business or a business that relocates from outside the City is exempt from paying the first year business tax provided the business obtains the Tax Registration Certificate from the City by the end of the second calendar month of the business start date. A business that does not obtain the Tax Registration Certificate by this deadline cannot take the first year exemption and will be liable for the first year fee and any interest and penalties for late filing. Additionally, the City has an exemption for the second year of business provided the first year taxable gross receipts are \$500,000 or less and the Business Tax Registration renewal is filed on or before the end of February deadline of the 2<sup>nd</sup> calendar year of business.

**6. Question      I do not consider myself to be in business. What does the City of Los Angeles consider to be a business?**

**Answer**      Most activities conducted within the City for gain or benefit are considered engaging in business and subject to business tax. Specifically, the L.A.M.C. defines "business" as any activity, enterprise, profession, trade or undertaking of any nature conducted or engaged in, or ordinarily conducted or engaged in, with the object of gain, benefit or advantage, whether direct or indirect, to the taxpayer or to another or others. The term shall include operations of subsidiary or independent entities conducted for the benefit of others and at no profit to themselves, nonprofit businesses and trade associations. A person shall not be deemed to be engaged in business solely by reason of receipt of dividend or interest income from passive investments (L.A.M.C. Section 21.00, Subsection (h)). A person who is an employee and whose compensation is reported on a Federal Form W-2 is not in business and is not subject to the business tax.

**Please call our offices at (213) 473-5901 to discuss the specific applicability of the above definition to your situation.**

**7. Question      I receive a 1099 form instead of a W-2 for my work. Am I required to have a City of Los Angeles Business Tax Registration Certificate?**

**Answer**      Those that work as an "independent contractor" and are paid by 1099 versus W-2 may be liable for City of Los Angeles Business Tax. Persons that perform work in the City of Los Angeles as an independent contractor as defined by L.A.M.C. Section 21.00, Subsection (j) are normally considered to be engaged in business and are liable for the City Business Tax. If you are unsure if the City's business tax ordinance



applies to you, please call our offices at (213) 473-5901 to discuss the specific applicability of the above definition to your situation.

**8. Question What is the City of Los Angeles definition of an "independent contractor?"**

**Answer** The L.A.M.C. defines "independent contractor" as any entity, other than an individual, that performs services for a principal; and any individual who performs services for a principal for a specified recompense for a specified result, under control of the principal as to the result of the work only and not as to the means by which such result is accomplished. An independent contractor receives income that should be reported to the Internal Revenue Service by the principal on IRS Form 1099, should report the income to the Internal Revenue Service on IRS Form 1040, Schedule C and may deduct the cost of the use of a home for business purposes on said Schedule C. (Added by Ord. No. 172,783, Eff. 9/30/99) (L.A.M.C. Section 21.00, Subsection (j)).

**9. Question What is the City of Los Angeles definition of an employee?**

**Answer** The L.A.M.C. defines "employee" as any individual who performs services for a principal in a capacity other than as an independent contractor. An employee receives income that should be reported to the Internal Revenue Service by the principal on IRS Form W-2, should not report the income to the Internal Revenue Service on IRS Form 1040, Schedule C and may not deduct the cost of the use of a home for business purposes on said Schedule C. (Added by Ord. No. 172,783, Eff. 9/30/99) (L.A.M.C. Section 21.00, Subsection (k)).

**10. Question I looked at the complete definitions for "independent contractor" and "employee" in the L.A.M.C. Section 21.00 and even though my compensation is reported by 1099, I fit the definition of "employee." What can I do?**

**Answer** Persons who are paid by 1099 and not W-2 can be considered "independent contractors" engaged in business and subject to City of Los Angeles business tax. The definitions for independent contractor and employee were defined in City of Los Angeles Municipal Ordinance #172,783 and contained in the L.A.M.C. Section 21.00, Subsections (j) and (k). Those that may not fall into either category or are actually employees may file an Employee Certification with the City's Office of Finance. The Employee Certification must be signed by the employer, stating that the employee is an employee based on L.A.M.C. Section 21.00, Subsection (k). Employee Certification Form is available at the Office of Finance website ([www.lacity.org/finance/](http://www.lacity.org/finance/)) or at the Office of Finance branch offices.

**11. Question I conduct a business from my home. Am I required to register with the City?**

**Answer** Yes, home-based businesses are subject to City Business Tax. In almost all cases, businesses located within the City of Los Angeles, whether at a commercial or residential location, require that a Business Tax Registration Certificate be obtained from the Office of Finance.

**12. Question Throughout the year, I am involved in consulting on a part-time basis. Do I have a City tax liability?**

**Answer** Yes, businesses both large and small are required to obtain a Business Tax Registration Certificate and to annually submit a tax renewal form to be in compliance with the L.A.M.C. As long as the consulting work is performed as an independent contractor and attributable to a location within the City of Los Angeles, such as your residence, a business tax liability with the City may exist.

**Please note that newly established businesses and small businesses may qualify for exemption. (See question #5 regarding the requirements for a new business tax exemption. See page 4 for additional information regarding the Small Business Exemption requirements.)**

**13. Question I operate a childcare center, do I have to pay City of Los Angeles Business Tax?**

**Answer** Any person conducting business as a childcare provider for more than eight children is required to obtain a City of Los Angeles Business Tax Registration and is subject to City business tax. Under Section 21.189.3, Subsection (b), "child care" shall mean providing non-medical care for children who are under 18 years of age in need of personal services, supervision or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24 hour basis.

Any person conducting business as a Small Family Day Care is exempt from the requirement to obtain a City of Los Angeles Business Tax Registration. Section 1596.78 of the State of California's Health and safety Code defines a Small Family Day Care Home as a home that provides family day care for eight or fewer children, including children under the age of 10 years who reside at home.

In addition, a person conducting business as a residential day care is required to obtain and maintain a Day Care Occupancy Fire Permit (F518) if there are more than 12 children cared for.



## Frequently Asked Questions and Information for Small Business Exemption

### **Section 21.29 (a) L.A.M.C.— Small Business Exemption – July 1, 2005**

Section 21.29, Subsection (a) L.A.M.C. has been amended to provide an increase in the small business exemption threshold. On July 1, 2005, the small business exemption threshold increases from \$5,000 to \$50,000 and on July 1, 2006, it increases from \$50,000 to \$100,000, with reinstatement of the timely filing requirement for both increases. **\* Please note that the \$50,000 small business exemption is provided for established businesses. Another tax exemption, which provides more liberal benefits, is available to newly established businesses in Los Angeles. (see Question #5) Since the small business exemption requires that businesses file a timely renewal statement, this exemption will become available starting January 1, 2006, during the 2006 business tax renewal period.**

Please remember that in order to qualify for this exemption, a small business must have tax measures that do not exceed \$50,000 in taxable and nontaxable gross receipts from within and out of the City of Los Angeles (worldwide). No tax is required to be paid by any small business, provided that the small business files a timely renewal. Taxpayers who do not file a renewal timely under Section 21.29 L.A.M.C. are considered delinquent and will not qualify for the small business exemption.

Examples:

During 2005, an out-of-city taxpayer had total worldwide taxable and non-taxable gross receipts of \$44,500, (in-city taxable gross receipts were \$25,000). On February 4, 2006, the business taxpayer files the annual business tax renewal and receives a small business exemption based on the total worldwide taxable/non-taxable gross receipts of \$44,500.

During 2005, an in-city taxpayer had taxable and nontaxable gross receipts of \$57,000 (within and out of the City of Los Angeles). The taxpayer would be liable for the business tax in 2006 even though the gross receipts generated as a result of the in City activities were below \$50,000. See below.

An in-city retailer has the following sales for calendar year 2005:

	<u>Worldwide Gross Receipts</u>		<u>Taxable Tax Measures (apportioned)</u>
In City	\$ 5,000	100%	\$ 5,000
Out-of-City (California Sales)	\$50,000	40%	\$20,000
		Taxable: using Ruling 14	
Interstate Sales	\$ <u>2,000</u>	Not taxable	\$ <u>0</u>
	\$57,000		\$25,000

The taxpayer does not qualify for the business tax exemption, since the total taxable and nontaxable gross receipts within and out of the City exceed \$50,000, even though the reportable tax measures are \$25,000. In this example, the taxpayer would pay the minimum business tax.

Please note: for an out-of-city taxpayer with below-the-minimum taxable gross receipts (not qualifying for a small business exemption), the minimum tax due is prorated.

**Question:** If the small business exemption threshold increases to \$50,000 on July 1, 2005, do I need to wait until July 1, 2005 to apply for a small business exemption?

**Answer:** No. The small business exemption threshold increase becomes effective July 1, 2005 and only applies to renewing businesses and not new businesses. Additionally, this small business exemption has a timely filing requirement, which cannot be applied until January of 2006 (during the 2006 renewal period). If a business waits until July 1, 2005 to file a renewal, that business will be considered late and must pay any principal tax, interest and penalty.

**Question:** If I believe that I qualify for the small business exemption, does this mean that I do not have to report income of less than \$99,000?

**Answer:** No, all gross receipts applicable to in and out-of city (worldwide), both taxable and non-taxable must be reported. Please note that the small business exemption threshold increase of \$100,000 becomes effective July of 2006. The small business exemption only applies to businesses that are renewing in a timely manner. Therefore, the \$100,000 small business exemption cannot be applied until January of 2007 (during the 2007 renewal period).



# CITY OF LOS ANGELES - BUSINESS TAX APPLICATION #638606

For assistance in completing this form, please contact or visit any of our offices listed on the cover letter. Completed applications should be mailed to the address noted on the reverse side.

- If you already have a Business Tax Registration Certificate: Enter the account number and complete only the legal name and signature box below, including daytime telephone number. **Tax Registration Certificate Account Number:** \_\_\_\_\_
- If you do not have a Business Tax Registration Certificate: Provide applicable information requested below including signature box and daytime telephone number. You will be billed via mail. If you prefer, you can have your tax liability calculated for you over the telephone and remit payment with this form (on reverse side) or you can visit any of our offices for assistance in registration and payment.
- If you believe you are not subject to City of Los Angeles business tax, please refer to the reverse side of this application; check appropriate box and complete applicable section. Complete signature box, including daytime telephone number and return.

**Business Type** (check one): ☐ Individual ☐ Partnership ☐ Corporation

*Please print or type:*

**Legal Name:** \_\_\_\_\_

Do not use DBA (fictitious name) here

**Social Security No. (SSN) - OR - Federal Employer Identification No. (FEIN):** \_\_\_\_\_

(NOTE: SSN/FEIN is confidential and not part of any public record)

**Business Address:** \_\_\_\_\_

Do not use P. O. Box here Street Address City State Zip Code

Please check appropriate box ☐ Commercial Location ☐ Residence

**Business Name (DBA):** \_\_\_\_\_

**Care Of (C/O):** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

If different from Business Address Street Address or P.O. Box City State Zip Code

**Description of Business:** \_\_\_\_\_

(Provide in Detail)

**Starting Date of Business:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**Gross Receipts\*:**

<u>Business activity** / Date activity started</u>	<u>Calendar Year 2003</u>	<u>Calendar Year 2004</u>	<u>Calendar Year 2005</u>
	<u>Gross Receipts</u>	<u>Gross Receipts</u>	<u>Gross Receipts</u>
a) _____	\$ _____	\$ _____	\$ _____
b) _____	\$ _____	\$ _____	\$ _____
c) _____	\$ _____	\$ _____	\$ _____

**Please Note:** A minimum business tax is due based on your business activity(ies) for the first year of operation.

\*If your business is located within the City of Los Angeles and a portion of your gross revenue is derived from outside the City, or your business is located outside the City and a portion of your gross revenue is derived from inside the City, then applicable apportionment formulas may reduce your tax liability.

\*\*Due to the large number of various business activities described under Section 21.53 to 21.197 of the Business Tax Ordinance, it is not practical to list each separately. For specific activities and rates, contact the Office of Finance or visit our website ([www.lacity.org/finance](http://www.lacity.org/finance)).

**I declare, under penalty of perjury under the laws of the State of California, that to the best of my knowledge the foregoing is true, correct and complete.**

Signature \_\_\_\_\_ Date \_\_\_\_\_

Title \_\_\_\_\_

Daytime Telephone Number \_\_\_\_\_ Email Address \_\_\_\_\_



**Payment Information** (If you prefer to make payment now and not be billed): Payment by mail can be made with a check, money order or credit card. Cash is also accepted at our branch offices.

Payment by: (Check one only) ☐ Check ☐ Mastercard ☐ Visa ☐ Discover ☐ American Express  
**\*\* No Split Payments \*\***

Name on Credit Card \_\_\_\_\_

Acct # \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Exp Date \_\_\_\_ / \_\_\_\_

Amount Paid \$ \_\_\_\_\_ Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

Billing Address of Card Holder \_\_\_\_\_

\_\_\_\_\_ Zip Code \_\_\_\_\_

**For office use only — Auth # \_\_\_\_\_ Date Keyed \_\_\_\_\_**

**Make checks payable to: "Office of Finance, City of Los Angeles" AND write your account number on your check or money order.  
Send Payment to: City of Los Angeles, P.O. Box 53478, Los Angeles, CA 90053-0478**

If you believe you are not subject to City of Los Angeles business tax, please complete this section, sign application in the signature box on the front of this form and return by mail.

- ☐ Physical business address is located outside the City of Los Angeles.  
Please provide address:

\_\_\_\_\_  
Street Address City State Zip Code

- ☐ Employee (not independent contractor). Please attach an *Employee Certification Letter* (copy available from branch offices listed on letter or at [www.lacity.org/finance](http://www.lacity.org/finance)) or other proof of documentation such as a W-2.

- ☐ Business operated less than 7 days in a calendar year in the City of Los Angeles. Please provide details:

\_\_\_\_\_  
\_\_\_\_\_

- ☐ Other. Please provide a written response explaining your position. Upon review of your response, you will be removed from the database or contacted for additional information.



**Payment Information** (If you prefer to make payment now and not be billed): Payment by mail can be made with a check, money order or credit card. Cash is also accepted at our branch offices.

Payment by: (Check one only) ☐ Check ☐ Mastercard ☐ Visa ☐ Discover ☐ American Express

**\*\* No Split Payments \*\***

Name on Credit Card \_\_\_\_\_

Acct # \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Exp Date \_\_\_\_ / \_\_\_\_

Amount Paid \$ \_\_\_\_\_ Authorized Signature \_\_\_\_\_ Date \_\_\_\_\_

Billing Address of Card Holder \_\_\_\_\_

Zip Code \_\_\_\_\_

**For office use only — Auth # \_\_\_\_\_ Date Keyed \_\_\_\_\_**

**Make checks payable to: "Office of Finance, City of Los Angeles" AND write your account number on your check or money order.  
Send Payment to: City of Los Angeles, P.O. Box 53478, Los Angeles, CA 90053-0478**

If you believe you are not subject to City of Los Angeles business tax, please complete this section, sign application in the signature box on the front of this form and return by mail.

☐ Physical business address is located outside the City of Los Angeles.

Please provide address:

Street Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

☐ Employee (not independent contractor). Please attach an *Employee Certification Letter* (copy available from branch offices listed on letter or at [www.lacity.org/finance](http://www.lacity.org/finance)) or other proof of documentation such as a W-2.

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\_\_\_\_\_

\_\_\_\_\_

☐ Other. Please provide a written response explaining your position. Upon review of your response, you will be removed from the database or contacted for additional information.



**Office of Finance  
Assessment Response Form**

Please complete the following information and check all boxes that apply below.

Legal Name of Business: \_\_\_\_\_

Account No.: \_\_\_\_\_

Case No.: 748425

☐ I request an immediate hearing based on the following position (attach additional sheets if necessary): \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

☐ I request a hearing in order to protect my administrative appeal rights. However, I wish to delay scheduling of the hearing in order to provide the tax auditor/tax compliance officer with additional information. I agree to provide the additional information to the tax auditor/tax compliance officer within 30 days from the date of the enclosed assessment letter.

☐ The estimated tax measures are not correct. The correct tax measures are listed below (attach additional sheets if necessary).

*Note: If this assessment is the result of an audit, you must enclose supporting documentation.  
All submitted tax measures are subject to review/audit.*

Primary Activity:	Tax Year	Tax Measure	Amount Due
_____	2005	_____	_____
_____	2006	_____	_____
Fund/Class: _____	2007	_____	_____
			Total Due _____

Secondary Activity:	Tax Year	Tax Measure	Amount Due
_____	_____	_____	_____
_____	_____	_____	_____
Fund/Class: _____	_____	_____	_____
			Total Due _____

*If you require assistance in computing your Tax Measures and/or Business Tax, please call (213) 473-5901.*

☐ The business activity ceased on: \_\_\_\_\_

☐ The business was sold/transferred on \_\_\_\_\_ to \_\_\_\_\_  
Telephone number of person that business was sold/transferred to \_\_\_\_\_

The Business Tax for this location was reported and paid under Account No. \_\_\_\_\_

☐ The business activity is exempt from Business Tax based on \_\_\_\_\_

☐ An election was made to Single Category file. See primary business category listed above.

☒ Other: I'm a Real Estate agent & therefore exempt from  
city tax.

Please print the name of the owner or authorized agent: Kathy Gould

Signature & Title of owner or authorized agent: Kaz Gould Date: 9/26/08

Telephone Number: (818) 828-7217 info@kathygould.com

*Please enclose a copy of the assessment notice.*





**Office of Finance  
Assessment Response Form**

Please complete the following information and check all boxes that apply below.

Legal Name of Business: \_\_\_\_\_

Account No.: \_\_\_\_\_

Case No.: **748425**

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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*Note: If this assessment is the result of an audit, you must enclose supporting documentation.  
All submitted tax measures are subject to review/audit.*

Primary Activity:	Tax Year	Tax Measure	Amount Due
_____	<u>2005</u>	_____	_____
_____	<u>2006</u>	_____	_____
Fund/Class: _____	<u>2007</u>	_____	_____
			Total Due _____

Secondary Activity:	Tax Year	Tax Measure	Amount Due
_____	_____	_____	_____
_____	_____	_____	_____
Fund/Class: _____	_____	_____	_____
			Total Due _____

*If you require assistance in computing your Tax Measures and/or Business Tax, please call (213) 473-5901.*

- ☐ The business activity ceased on: \_\_\_\_\_
- ☐ The business was sold/transferred on \_\_\_\_\_ to \_\_\_\_\_  
Telephone number of person that business was sold/transferred to: \_\_\_\_\_
- ☐ The Business Tax for this location was reported and paid under Account No.: \_\_\_\_\_
- ☐ The business activity is exempt from Business Tax based on \_\_\_\_\_
- ☐ An election was made to Single Category file. See primary business category listed above.
- ☒ Other: I'm a Real Estate agent & therefore exempt from  
city tax.

Please print the name of the owner or authorized agent: Kathy Gold

Signature & Title of owner or authorized agent: Kay Gold

Date: 9/26/08

Telephone Number: (818) 825-7217

info@kathygold.com

*Please enclose a copy of the assessment notice.*



**SEC.21.16. [Los Angeles Municipal Code]: ASSESSMENT — ADMINISTRATIVE REMEDY:**

(As Amended by Ord. No. 138,968, effective 8/9/69.)

(a) **Assessment of Taxes.** Whenever the Director of Finance determines that any tax is due or may be due to the City of Los Angeles under the provisions of this chapter, he may make and give notice of an assessment of such tax.

The notice of assessment shall separately set forth the amount of any tax known by the Director of Finance to be due or estimated by the Director of Finance, after full consideration of all information within his knowledge concerning the business and activities of the person assessed, to be due under each applicable section of this chapter and shall include the amount of any penalties or interest accrued on each amount to the date of the notice of assessment.

(b) **Service by Assessment: Right to Hearing.** The notice of assessment shall be served upon the person either by handing it to him personally, or by a deposit of the notice in the United States mail, postage prepaid thereon, addressed to the person at the address of the location of the business appearing on the face of the registration certificate issued to him or to such other address as he shall register with the Director of Finance for the purpose of receiving notices provided under this chapter; should the person have no registration certificate issued to him and should he have no address registered with the Director of Finance for such purpose, then to such person's last known address. For the purpose of this section, a service by mail is complete at the time of deposit in the United States mail. Within 15 days after the date of service, the person assessed may either apply in writing to the Director of Finance for a hearing on the assessment or may file a written request that such hearing be waived. If the person neither requests a hearing upon the assessment nor requests a waiver of hearing within the prescribed time, the amount of the assessment shall be final and the amount thereof shall immediately be due and owing to the City of Los Angeles, but penalties and interest as provided by this chapter shall continue to accrue until paid.

(c) **Waiver of Hearing.** If the person requests that the hearing be waived, the Director of Finance may either grant such request and notify the person thereof in writing or may, in his discretion, deny the request and set the assessment for hearing at the time and in the manner prescribed by Subsection (d) hereof. If the Director of Finance grants the request for waiver of hearing, the administrative proceedings prescribed by this section shall be deemed exhausted and the City shall have the right to bring an action in any court of competent jurisdiction to collect the amount of the assessment, plus such penalties and interest as may have accrued thereon as provided by this chapter.

(d) (Amended by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Time of Hearing; Notice.** If the person requests a hearing upon the assessment or if the Director of Finance denies the person's request for waiver of hearing, the Director of Finance shall cause the matter to be set for hearing before an Assessment Review Officer not later than 90 days after the date of the application, or, as the case may be, the date of the Director of Finance's denial of the waiver of hearing. A request for hearing shall be accompanied by a written statement of the basis or bases for the request. Notice of the time and place of the hearing shall be mailed by the Director of Finance to the person assessed not later than 15 days before the date set for hearing and, if the Director of Finance desires said person to produce specific records at such hearing, such notice may designate the records requested to be produced.

(e) (Amended by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Administrative Hearing.** The hearing prescribed by this section shall be before an Assessment Review Officer. The Assessment Review Officer shall be appointed by the Director of Finance and shall be an employee of the Office of Finance. At the hearing, the person assessed and the representative of the Director of Finance, who shall be a person other than the Assessment Review Officer, may submit such evidence as

they believe to be relevant to their respective positions. The Assessment Review Officer may require the presentation of additional evidence from either the person assessed or the representative of the Director of Finance, or from both, and may continue the hearing from time to time for the purpose of allowing the presentation of additional evidence.

(f) (Amended by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Decision of Assessment Review Officer.** Upon completion of the hearing, the Assessment Review Officer may (i) affirm the assessment, (ii) increase the assessment, or (iii) decrease the assessment, as the evidence may require; but the amount of the assessment shall not be increased unless the claim for the increase is asserted on behalf of the City either before or during the hearing. Written notice of the decision of the Assessment Review Officer shall be given to the person assessed in the same form and in the same manner as the notice of assessment.

(g) (Amended by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Appeal to Board of Review.** Within 15 days from the date of service of the notice of decision of the Assessment Review Officer, the person assessed may file an appeal of the decision to the Board of Review, but shall not be required to do so. An appeal shall be accompanied by a written statement of the basis or bases for the appeal. If the person does not appeal, he shall nevertheless be deemed to have exhausted the administrative proceedings provided by this section. The Board of Review shall be composed of the Director of Finance, the City Attorney, or the duly appointed representative of each, and a public member, selected from a panel of tax professionals, such as attorneys and certified public accountants, appointed by the Mayor and confirmed by the Council. If the person files an appeal of the decision, the Director of Finance shall cause the matter to be set for hearing before the Board of Review not later than 90 days after the date of the filing of the appeal. Notice of the time and place of the hearing shall be mailed by the Director of Finance to the appellant not later than 15 days before the date set for hearing.

(h) (Amended by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Hearing Before the Board of Review.** At the hearing before the Board of Review, the appellant and the representative of the Director of Finance, who shall be a person other than a member of the Board of Review, may submit such evidence and argument as they believe to be relevant to their respective positions. The Board of Review may require the presentation of additional evidence or argument, or both, from either the appellant or the representative of the Director of Finance, or from both, and may continue the hearing from time to time for the purpose of allowing the presentation of additional evidence or argument, or both.

(i) (Amended by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Decision of Board of Review.** Upon completion of the hearing, the Board of Review may, by majority vote of its members, affirm or decrease the assessment, as the evidence may require. Written notice of the decision of the Board of Review shall be given to the appellant in the same form and in the same manner as the notice of assessment.

(j) (Added by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Effect of Delay in Administrative Proceedings.** Failure of the Director of Finance to set any hearing within the time prescribed in this section shall not affect the validity of any proceedings taken hereunder.

(k) (Added by Ord. No. 174,084, Eff. 8/19/01, Oper. 1/1/02.) **Effect of Payment of an Assessment.** Acceptance of any payment upon an assessment, the validity of which has not previously been passed upon by the Assessment Review Officer, shall not preclude the Director of Finance from subsequently levying another assessment in any case where the original assessment does not truly reflect the correct tax liability.

- - Please note: An assessment becomes final if no response is received from the person assessed within 15 days of the date of the notice. Further information is available on the Office of Finance web site at <http://www.lacity.org.finance>. - -



OFFICE OF FINANCE  
TAX AND PERMIT  
DIVISION  
200 N. SPRING ST.,  
ROOM 101-CITY HALL  
LOS ANGELES, CA 90012

CITY OF LOS ANGELES  
CALIFORNIA

ANTOINETTE CHRISTOVALE  
DIRECTOR OF FINANCE



ANTONIO R. VILLARAIGOSA  
MAYOR

September 17, 2008

\*\*\*\*\*AUTO\*\*SCH 3-DIGIT 913 12

Kathy Gold #748425  
11100 Sepulveda Blvd # 5128  
Mission Hills CA 91345-1131



Re: **AB63 ESTIMATED ASSESSMENT**

Case # **748425**

The Office of Finance has previously notified you regarding compliance with City Of Los Angeles business tax requirements and no response has been received. Your failure to respond has resulted in the Office of Finance levying an estimated assessment, which may lead to further actions if the assessment remains unpaid or unresolved. An Assessment Application Form is enclosed for your convenience.

Pursuant to the provisions of 21.16 of the Los Angeles Municipal Code, we hereby levy an estimated assessment of **\$2,554.32**

Unless we hear from you on or before October 2, 2008 this office will finalize this assessment as provided under Section 21.16 (Assessment – Administrative Remedy) of the Los Angeles Municipal Code in order to protect the interests of the City.

The following amounts are due and payable immediately: **\$2,554.32**

Account Number	Tax Period	Fund/Class	Basis for Tax	Detail Line #
Not Assigned	200600A	L190 – Profs/Occupations	101,000	1
Not Assigned	200700A	L190 – Profs/Occupations	101,000	2
Not Assigned	200800A	L049 – Profs/Occupations	101,000	3

Detail Line #	Principal	Interest	Fees	Penalty	Amount Paid	Balance
1	\$578.73	\$119.80	\$0.00	\$231.49	\$0.00	\$930.02
2	\$555.50	\$73.88	\$0.00	\$222.20	\$0.00	\$851.58
3	\$533.28	\$26.13	\$0.00	\$213.31	\$0.00	\$772.72

**TOTAL AMOUNT DUE \$2,554.32**

Please make your payment to the OFFICE OF FINANCE, CITY OF LOS ANGELES.

Any correspondence should be returned to the City of Los Angeles at this address,

City of Los Angeles, Office of Finance  
P.O. Box 53478  
Los Angeles, CA 90053-0478

Please note that you may either file a written application for a hearing or a request for a waiver of a hearing within 15 days of the date of this letter using the enclosed application. If a hearing is requested or if the request for a waiver of a hearing is denied, you will be notified of the time and place of the hearing. You may also submit the actual basis for tax or other additional information to resolve this tax matter.

If no written application for a hearing is filed or if your request for a waiver of a hearing is granted, the total amount of this assessment will become final. Unresolved assessments may result in misdemeanor charges being filed against you, or your account may be referred to a collection agency, which could have a negative impact on your credit rating.

If you have any questions regarding this statement, please call 213-473-5901. For general business tax information visit our website at <http://www.lacity.org/finance>.

Office of Finance  
Tax and Permit Division



MAIN OFFICE					
City Hall (Use Main St. Entrance)	200 N. Spring Street	Rm. 101	PHONE (213) 473-5901	Open Mon. through Fri.	8 AM to 5 PM
BRANCH OFFICES					
Van Nuys Civic Center	6262 Van Nuys Blvd.	Rm. 110	PHONE (818) 374-6850	Open Mon. through Fri.	8 AM to 5 PM
Braude Constituent Services Center	1828 Sawtelle Blvd.	Rm. 102	PHONE (310) 575-8888	Open Mon. through Fri.	8 AM to 5 PM
West Los Angeles	6501 Fountain Ave.		PHONE (213) 485-3935 (213) 485-6305	Open Mon. through Fri.	8 AM to 5 PM
Hollywood	638 S. Beacon Ave.	Rm. 211	PHONE (310) 732-4537	Open Mon., Wed., Fri.	7:30 AM to 12 Noon 1 PM to 4:30 PM
San Pedro	7166 W. Manchester Ave.	Rm. 9	PHONE (213) 473-6750	Open Tues., Thurs.	8 AM to 12 Noon Only
Westchester Municipal Building	10221 Compton Ave.	Rm. 202	PHONE (213) 473-5109	Open Tues., Thurs.	1 PM to 4:30 PM
Watts Civic Center Building					

**INTEREST:** Additional charges will be required after September 30, 2008. Interest on the principal amount due accrues at the rate of 0.7% each month after the account becomes delinquent.

**PENALTY:** The penalty payable on the delinquent taxes will be applied at 5% of the principal amount due each delinquent month, for the first four months of delinquency and an additional twenty percent on the fifth month, based on the principal amount. Penalty is cumulative to 40% over five months. If a timely payment is made and a first billing notice was not resolved, an alternative penalty method (L.A.M.C. Section 21.05 (b)3 – Deficiency Determination) may be applied to the principal balance due.

Return this notice with your payment and retain a copy for your records.

Please note that on September 25, 2004, Ordinance #176160 became effective requiring all tax payments of \$50,000 or more to be made by electronic funds transfers. You must pre-register in order to make payment by means of electronic funds transfers. Please call (213) 368-7698 for further information.

Payment by: ☐ Check ☐ Money Order ☐ MasterCard ☐ Visa ☐ Discover ☐ American Express **\*\*No Split Payments\*\***

Name on Card (Print) \_\_\_\_\_ Acct # \_\_\_\_\_ Exp Date \_\_\_\_\_

Billing Address of Card Holder: \_\_\_\_\_ Zip Code \_\_\_\_\_

Payments of \$50,000 or more require ACH (see above) --For office use only-- Auth. # \_\_\_\_\_ Date Keyed \_\_\_\_\_

**MAKE PAYMENT PAYABLE TO:** Office of Finance, City of Los Angeles

Legal Name: Kathy Gold

Account Number: 748425

Date Billed: \_\_\_\_\_

Authorized Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**\*\*Your check or money order must be drawn on United States banks only. Please write your account number on your check.**

OFFICE OF FINANCE  
P.O. BOX 53478  
LOS ANGELES CA 90053-0478

Print Name: \_\_\_\_\_ Title: \_\_\_\_\_ Phone: (\_\_\_\_) \_\_\_\_\_

Amount Due: \$2,554.32

Amount Paid: \_\_\_\_\_

For Office Use Only			
EA	Processed By:	Processed Date:	Bill Stub Number:



# INFORMATION UPDATE FORM

(Check Appropriate Statement[s] and Complete)

Account No. 2307513-1-3

Name: Centaur Girl Productions inc.

Note: Tax Registration Certificates are not transferable. If your business is sold or transferred to another entity or you purchase a business, a new Tax Registration Certificate is required.

A ☐ LEGAL NAME CHANGE \_\_\_\_\_ DATE \_\_\_\_\_

NEW TELEPHONE NUMBER (\_\_\_\_) \_\_\_\_\_

B ☐ BUSINESS ADDRESS \_\_\_\_\_ DATE \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

IS THIS A RESIDENTIAL ADDRESS (Y/N)? \_\_\_\_\_ IS THIS ADDRESS LOCATED OUTSIDE THE UNITED STATES (Y/N)? \_\_\_\_\_

C ☐ DOING BUSINESS AS (DBA) \_\_\_\_\_ DATE \_\_\_\_\_

D ☐ MAILING ADDRESS \_\_\_\_\_ DATE \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

C/O \_\_\_\_\_

IS THIS A RESIDENTIAL ADDRESS (Y/N)? \_\_\_\_\_ IS THIS ADDRESS LOCATED OUTSIDE THE UNITED STATES (Y/N)? \_\_\_\_\_

E ☐ ALL RENTAL PROPERTIES SOLD \_\_\_\_\_ DATE \_\_\_\_\_

F ☒ ENTIRE BUSINESS(ES) SOLD OR DISCONTINUED \_\_\_\_\_ DATE 9/26/08

G ☐ INDIVIDUAL BUSINESS ACTIVITY SOLD OR DISCONTINUED \_\_\_\_\_ DATE \_\_\_\_\_ FUND/CLASS(ES) \_\_\_\_\_

H ☐ PORTION OF BUSINESS ACTIVITY SOLD OR TRANSFERRED \_\_\_\_\_ DATE \_\_\_\_\_ FUND/CLASS(ES) \_\_\_\_\_

I ☐ IF YOU RELOCATED ALL OR PART OF YOUR BUSINESS OUT OF THE CITY OF LOS ANGELES, STATE REASON(S) AND INCLUDE NEW PHONE NUMBER: (\_\_\_\_) \_\_\_\_\_

IF YOU DO NOT PLAN TO CONTINUE CONDUCTING BUSINESS IN THE CITY, PROVIDE THE DATE YOU LAST PROVIDED SERVICE IN THE CITY: \_\_\_\_\_

J ☐ FISCAL YEAR REPORTING START - FISCAL YEAR BEGINNING \_\_\_\_\_, AND ENDING: \_\_\_\_\_

K ☐ CHANGE PREVIOUSLY REPORTED FISCAL YEAR TO BEGINNING \_\_\_\_\_, AND ENDING: \_\_\_\_\_

x Kay Jewel

9/26/08





# CITY OF LOS ANGELES

OFFICE OF FINANCE

P.O. BOX 53200

LOS ANGELES CA 90053-0200

30 100-003672 0801 1

CENTAUR GIRL PRODUCTIONS INC

Cancelled 9/20/08

THIS CERTIFICATE MUST BE POSTED AT PLACE OF BUSINESS

## CITY OF LOS ANGELES TAX REGISTRATION CERTIFICATE

THIS CERTIFICATE IS GOOD UNTIL SUSPENDED OR CANCELLED

### BUSINESS TAX

ISSUED: 2/3/2008

ACCOUNT NO.	FUND/CLASS	DESCRIPTION	STARTED	STATUS
0002307513-0001-3	L044	Retail Sales	10/25/2003	Active

ISSUED TO  
CENTAUR GIRL PRODUCTIONS INC



ISSUED BY:

*Antoinette D. Christou*

DIRECTOR OF FINANCE

NOTIFY THE OFFICE OF FINANCE IN WRITING OF ANY CHANGE IN OWNERSHIP OR ADDRESS  
FORM 2000 (rev. 6/01) IMPORTANT - READ REVERSE SIDE

P.O. BOX 53200, LOS ANGELES CA 90053-0200





ANTONIO R. VILLARAIGOSA

MAYOR

\*\*\*\*\*AUTO\*\*SCH 3-DIGIT 913 51  
CENTAUR GIRL PRODUCTIONS, INC. # 638606

## Final Notice

January 8, 2008



### RE: CITY OF LOS ANGELES BUSINESS TAX AB63 TAX DISCOVERY PROGRAM

A review of your 2004 tax filing with the Franchise Tax Board indicates you reported business expenses or received income from a business related activity. The Municipal Code for the City of Los Angeles requires that no individual, partnership or corporation shall conduct business within the City of Los Angeles without obtaining a registration certificate and paying applicable business taxes. Our records indicate you do not have a valid registration certificate on file with the Office of Finance and may be out of compliance with Section 21.03 (Imposition of Tax) L.A.M.C.

This office has previously notified you regarding compliance with City of Los Angeles business taxes and no response has been received. As you may be liable to pay business taxes for conducting business within the City of Los Angeles, it is imperative we now receive a timely response to this current notification. If you are not liable to pay these taxes, we still require clarification from you to remove you from future mailings. **Failure to respond to this notice will result in further enforcement action, which may include an estimated Assessment followed by the filing of an action by the City Attorney's Office if the assessment remains unpaid.**

Your response must be sent **within 10 days of the date of this letter** per your applicable situation:

- To comply with 21.03 L.A.M.C., complete and return the enclosed application to the Office of Finance. Please give a full explanation of your business activities. The Office of Finance will send a billing for applicable liabilities for prior tax years.
- If you believe you are not subject to the City of Los Angeles business tax, please provide a written response describing your position. Upon review of your response, you will be removed from the database or contacted for additional information, if further clarification is required.
- If your business is located outside the City of Los Angeles, please provide the business address. We will update our database to reflect this and remove you from future mailings.
- If you are already registered with the City and have a valid Business Tax Certificate, please provide the account number on the application and return it so that we may remove you from future mailings.

For assistance in determining your tax liability, you can contact or visit any of our offices listed on the reverse side of this letter or complete and return the enclosed application to: **City of Los Angeles, Office of Finance/Revenue Management Division, P.O. Box 53478, Los Angeles, CA 90053-0478**

In all situations, please remember to sign the application when returning it to the referenced address. Information regarding the Business Tax Enforcement Program and L.A.M.C. Section 21.03 are available at the Office of Finance website ([www.lacity.org/finance](http://www.lacity.org/finance)). To review Section 21.03, click on Business Tax Ordinance. **To avoid further enforcement action your timely response is required so that we may resolve this outstanding matter.**

Sincerely,

Office of Finance  
Enclosure



### **CITY HALL OFFICE**

City Hall	200 N. Spring St. (Use Main St. Entrance)	Rm 101	PHONE (213) 473-5901	Open Mon. through Fri.	8 AM to 5PM
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### **BRANCH OFFICES AND HOURS**

Van Nuys Civic Center	Braide Constituent Svcs. Center 6262 Van Nuys Blvd.	Rm 110	PHONE (818) 374-6850	Open Mon. through Fri.	8 AM to 5PM
West Los Angeles	1828 Sawtelle Blvd.	Rm 102	PHONE (310) 575-8888	Open Mon. through Fri.	8 AM to 5PM
Hollywood	6501 Fountain Ave.		PHONE (213) 485-3935 PHONE (213) 485-6305	Open Mon. through Fri.	8 AM to 5PM
San Pedro	638 S. Beacon St.	Rm 211	PHONE (310) 732-4537	Open Mon., Wed., and Fri.	7:30 AM to 12 PM 1 PM to 4:30 PM
Westchester Municipal Building	7166 W. Manchester Ave.	Rm 9	PHONE (213) 473-6750	Open Tues. and Thurs.	8 AM to 12 PM 1 PM to 4:30 PM
Watts Civic Center Building	10221 Compton Ave.	Rm 202	PHONE (213) 473-5109	Open Tues. and Thurs.	1 PM to 4:30 PM

**For the latest information about these and other issues, visit our web site at [www.lacity.org/finance/](http://www.lacity.org/finance/), call our taxpayer assistance line at (213) 473-5901, or call or visit any of our branch offices listed above. Also, please be aware of the following programs to assist you:**

- **TAXPAYER ADVOCATE** - If you require assistance in resolving complex business tax issues, our Taxpayer Advocate is available to assist you. Contact the nearest branch office for a referral or you may reach the Taxpayer Advocate by e-mail at [Finance.Advocate@lacity.org](mailto:Finance.Advocate@lacity.org) or fax at (213) 978-1549, Attn: Taxpayer Advocate. Our Taxpayer Advocate is also available to speak to your community or business group about the City's tax code and answer questions.
- **DO YOU HAVE OUTSTANDING TAXES DUE THE CITY?**

**Credit Card Payment** The Office of Finance accepts payment by MasterCard, Visa, Discover and American Express.

**Installment Payments** If your tax liability is \$1,000 or more send the completed application with a formal letter requesting to pay the liability in installments and it will be referred to the Billing unit. Please note that your total liability will include the sum of principal, interest and penalty.



## Frequently Asked Questions For AB 63 Tax Enforcement Program

- 1. Question**      **What is the AB 63 tax enforcement program?**

**Answer**          As a result of recent state legislation, the California State Franchise Tax Board (FTB) is now authorized to disclose certain records related to business activities of residents, corporations and other entities within the City of Los Angeles. By matching the FTB data to our existing records we now have an additional, effective tool to identify unregistered businesses within the City. **Revenue generated by this program will be used to fund future business tax reform and affordable housing.**
- 2. Question**      **Why did I receive a notification?**

**Answer**          Our records show that you or a spouse are reporting some type of business activity to the Franchise Tax Board and may be located in the City of Los Angeles, but have not obtained a Tax Registration Certificate with the City. **Joint filers may receive the notification letter addressed to the primary name listed on the tax return, even though the other name may have the City tax liability.**
- 3. Question**      **How long do I have to respond to the notification?**

**Answer**          Please refer to the letter received for a specific deadline to respond and please be aware that if you have a City of Los Angeles business tax liability and do not respond, interest and penalties on the tax liability will continue to accrue. To file in a timely manner and avoid interest and penalties, City of Los Angeles Business Tax must be filed on or before the end of February each tax year. For tax year 2007, filing must be done on or before February 28, 2007.
- 4. Question**      **What happens if I do not respond?**

**Answer**          If you do not respond, you may be in violation of L.A.M.C. Section 21.03 (Imposition of Tax) and your file could be forwarded to the City Attorney's office for appropriate follow-up.
- 5. Question**      **I started a business this year. Are there any exemptions available for starting a business in the City of Los Angeles or relocating a business to the City?**

**Answer**          L.A.M.C. Section 21.30 provides an exemption for a brand new business that is started in the City of Los Angeles or an existing business from outside the City of Los Angeles that relocates into the City. A brand new business or a business that relocates from outside the City is exempt from paying the first year business tax provided the business obtains the Tax Registration Certificate from the City by the end of the second calendar month of the business start date. A business that does not obtain the Tax Registration Certificate by this deadline cannot take the first year exemption and will be liable for the first year fee and any interest and penalties for late filing. Additionally, the City has an exemption for the second year of business provided the first year taxable gross receipts are \$500,000 or less and the Business Tax Registration renewal is filed on or before the end of February deadline of the 2<sup>nd</sup> calendar year of business.
- 6. Question**      **I do not consider myself to be in business. What does the City of Los Angeles consider to be a business?**

**Answer**          Most activities conducted within the City for gain or benefit are considered engaging in business and subject to business tax. Specifically, the L.A.M.C. defines "business" as any activity, enterprise, profession, trade or undertaking of any nature conducted or engaged in, or ordinarily conducted or engaged in, with the object of gain, benefit or advantage, whether direct or indirect, to the taxpayer or to another or others. The term shall include operations of subsidiary or independent entities conducted for the benefit of others and at no profit to themselves, nonprofit businesses and trade associations. A person shall not be deemed to be engaged in business solely by reason of receipt of dividend or interest income from passive investments (L.A.M.C. Section 21.00, Subsection (h)). A person who is an employee and whose compensation is reported on a Federal Form W-2 is not in business and is not subject to the business tax.

**Please call our offices at (213) 473-5901 to discuss the specific applicability of the above definition to your situation.**
- 7. Question**      **I receive a 1099 form instead of a W-2 for my work. Am I required to have a City of Los Angeles Business Tax Registration Certificate?**

**Answer**          Those that work as an "independent contractor" and are paid by 1099 versus W-2 may be liable for City of Los Angeles Business Tax. Persons that perform work in the City of Los Angeles as an independent contractor as defined by L.A.M.C. Section 21.00, Subsection (j) are normally considered to be engaged in business and are liable for the City Business Tax. If you are unsure if the City's business tax ordinance



applies to you, please call our offices at (213) 473-5901 to discuss the specific applicability of the above definition to your situation.

**8. Question    What is the City of Los Angeles definition of an "independent contractor?"**

**Answer**    The L.A.M.C. defines "independent contractor" as any entity, other than an individual, that performs services for a principal; and any individual who performs services for a principal for a specified recompense for a specified result, under control of the principal as to the result of the work only and not as to the means by which such result is accomplished. An independent contractor receives income that should be reported to the Internal Revenue Service by the principal on IRS Form 1099, should report the income to the Internal Revenue Service on IRS Form 1040, Schedule C and may deduct the cost of the use of a home for business purposes on said Schedule C. (Added by Ord. No. 172,783, Eff. 9/30/99) (L.A.M.C. Section 21.00, Subsection (j)).

**9. Question    What is the City of Los Angeles definition of an employee?**

**Answer**    The L.A.M.C. defines "employee" as any individual who performs services for a principal in a capacity other than as an independent contractor. An employee receives income that should be reported to the Internal Revenue Service by the principal on IRS Form W-2, should not report the income to the Internal Revenue Service on IRS Form 1040, Schedule C and may not deduct the cost of the use of a home for business purposes on said Schedule C. (Added by Ord. No. 172,783, Eff. 9/30/99) (L.A.M.C. Section 21.00, Subsection (k)).

**10. Question    I looked at the complete definitions for "independent contractor" and "employee" in the L.A.M.C. Section 21.00 and even though my compensation is reported by 1099, I fit the definition of "employee." What can I do?**

**Answer**    Persons who are paid by 1099 and not W-2 can be considered "independent contractors" engaged in business and subject to City of Los Angeles business tax. The definitions for independent contractor and employee were defined in City of Los Angeles Municipal Ordinance #172,783 and contained in the L.A.M.C. Section 21.00, Subsections (j) and (k). Those that may not fall into either category or are actually employees may file an Employee Certification with the City's Office of Finance. The Employee Certification must be signed by the employer, stating that the employee is an employee based on L.A.M.C. Section 21.00, Subsection (k). Employee Certification Form is available at the Office of Finance website ([www.lacity.org/finance/](http://www.lacity.org/finance/)) or at the Office of Finance branch offices.

**11. Question    I conduct a business from my home. Am I required to register with the City?**

**Answer**    Yes, home-based businesses are subject to City Business Tax. In almost all cases, businesses located within the City of Los Angeles, whether at a commercial or residential location, require that a Business Tax Registration Certificate be obtained from the Office of Finance.

**12. Question    Throughout the year, I am involved in consulting on a part-time basis. Do I have a City tax liability?**

**Answer**    Yes, businesses both large and small are required to obtain a Business Tax Registration Certificate and to annually submit a tax renewal form to be in compliance with the L.A.M.C. As long as the consulting work is performed as an independent contractor and attributable to a location within the City of Los Angeles, such as your residence, a business tax liability with the City may exist.

**Please note that newly established businesses and small businesses may qualify for exemption. (See question #5 regarding the requirements for a new business tax exemption. See page 4 for additional information regarding the Small Business Exemption requirements.)**

**13. Question    I operate a childcare center, do I have to pay City of Los Angeles Business Tax?**

**Answer**    Any person conducting business as a childcare provider for more than eight children is required to obtain a City of Los Angeles Business Tax Registration and is subject to City business tax. Under Section 21.189.3, Subsection (b), "child care" shall mean providing non-medical care for children who are under 18 years of age in need of personal services, supervision or assistance essential for sustaining the activities of daily living or for the protection of the individual on less than a 24 hour basis.

Any person conducting business as a Small Family Day Care is exempt from the requirement to obtain a City of Los Angeles Business Tax Registration. Section 1596.78 of the State of California's Health and safety Code defines a Small Family Day Care Home as a home that provides family day care for eight or fewer children, including children under the age of 10 years who reside at home.

In addition, a person conducting business as a residential day care is required to obtain and maintain a Day Care Occupancy Fire Permit (F518) if there are more than 12 children cared for.



**Frequently Asked Questions  
For AB 63 Tax Enforcement Program (continued)**

- 14. Question**     **I am liable for City Business Tax for the past two years. What kind of interest and penalties are involved?**
- Answer**         By ordinance, the City may seek principal, interest and penalties for the current tax year and the prior two tax years.
- After the delinquent date each year interest and penalties accrue on all outstanding tax liabilities. The interest rate is re-calculated annually to reflect the average Federal short-term rate plus 3 percentage points. For 2006, interest accrues at a rate of .6% per month, the 2005 rate was .5% per month, and the 2004 rate was .4% per month. The penalty amount is graduated, beginning in the first month at 5% and increases to 40% after the fourth month of delinquency.
- Taxpayers may request a waiver of the penalty amount as long as the request is in writing and the principal tax and interest amounts due are paid. Written requests for a waiver of the penalty will be considered on a case by case basis. If the waiver is denied, the penalties will be billed at a future date.
- 15. Question**     **I live in Los Angeles but my business is located outside the city limits. What are my liabilities for City of Los Angeles Business Tax?**
- Answer**         As long as all business activity is conducted outside of the City of Los Angeles, there is no liability for the City of Los Angeles Business Tax.
- 16. Question**     **What if I received this notification and I no longer have a business?**
- Answer**         If you previously conducted business in the City of Los Angeles and never registered for the Business Tax Registration, please provide gross receipts for the applicable years of business, out-of-business date and the information asked for on the application. Please note that there is a business tax liability for each of the prior three calendar years of operation within the City, but none for calendar years when the business was not operated.
- 17. Question**     **I own a dwelling or commercial property that I lease or rent out. Is that considered a business?**
- Answer**         The revenue collected from such properties located within the City is considered business income earned and is taxable under the L.A.M.C.
- 18. Question**     **Can I pay in installments?**
- Answer**         Yes, if your total tax liability is \$1,000 or more send the completed application with a formal letter requesting to pay the liability in installments and it will be referred to the Billing Unit. Please note that your total liability will include the sum of principal, interest and penalty owed.
- 19. Question**     **If I have a business that needs to be registered but the notification was addressed to the previous owner, what do I do?**
- Answer**         If you are the new business owner and need to apply for a Tax Registration Certificate, complete the application and note on it that the name or address is incorrect, so that we can register your business as well as update our records in regards to the previous business.
- 20. Question**     **What is Single Category Filing and who is eligible for this option?**
- Answer**         The City Council adopted a revision to the business tax ordinance to allow "Single Category Filing" (SCF) which added Section 21.06.1 to the L.A.M.C. This ordinance became effective January 1, 2004. Single Category Filing is optional, at the discretion of the taxpayer. Under the SCF option, a taxpayer with multiple classifications whose rates are based on the annual gross receipts may elect to pay 100% of the gross receipts business taxes based on a single classification, provided that classification accounts for 80% or more of the entire gross receipts after any apportionments. For more information on SCF please visit the Office of Finance website ([www.lacity.org/finance/](http://www.lacity.org/finance/)) or call our offices at 213-473-5901 to discuss the specific applicability of the SCF to your situation.
- 21. Question**     **Where do I mail the application?**
- Answer**         City of Los Angeles  
Office of Finance, Revenue Management Division  
P.O Box 53478  
Los Angeles, CA 90053-0478



## Frequently Asked Questions and Information for Small Business Exemption

### **Section 21.29 (a) L.A.M.C. – Small Business Exemption – July 1, 2005**

Section 21.29, Subsection (a) L.A.M.C. has been amended to provide an increase in the small business exemption threshold. On July 1, 2005, the small business exemption threshold increases from \$5,000 to \$50,000 and on July 1, 2006, it increases from \$50,000 to \$100,000, with reinstatement of the timely filing requirement for both increases.

**\* Please note that the \$50,000 small business exemption is provided for established businesses. Another tax exemption, which provides more liberal benefits, is available to newly established businesses in Los Angeles. (see Question #5) Since the small business exemption requires that businesses file a timely renewal statement, this exemption will become available starting January 1, 2006, during the 2006 business tax renewal period.**

Please remember that in order to qualify for this exemption, a small business must have tax measures that do not exceed \$50,000 in taxable and nontaxable gross receipts from within and out of the City of Los Angeles (worldwide). No tax is required to be paid by any small business, provided that the small business files a timely renewal. Taxpayers who do not file a renewal timely under Section 21.29 L.A.M.C. are considered delinquent and will not qualify for the small business exemption.

Examples:

During 2005, an out-of-city taxpayer had total worldwide taxable and non-taxable gross receipts of \$44,500, (in-city taxable gross receipts were \$25,000). On February 4, 2006, the business taxpayer files the annual business tax renewal and receives a small business exemption based on the total worldwide taxable/non-taxable gross receipts of \$44,500.

During 2005, an in-city taxpayer had taxable and nontaxable gross receipts of \$57,000 (within and out of the City of Los Angeles). The taxpayer would be liable for the business tax in 2006 even though the gross receipts generated as a result of the in City activities were below \$50,000. See below.

An in-city retailer has the following sales for calendar year 2005:

	<u>Worldwide Gross Receipts</u>		<u>Taxable Tax Measures (apportioned)</u>
In City	\$ 5,000	100%	\$ 5,000
Out-of-City (California Sales)	\$50,000	40%	\$20,000
		Taxable: using Ruling 14	
Interstate Sales	\$ 2,000	Not taxable	\$ 0
	\$57,000		\$25,000

The taxpayer does not qualify for the business tax exemption, since the total taxable and nontaxable gross receipts within and out of the City exceed \$50,000, even though the reportable tax measures are \$25,000. In this example, the taxpayer would pay the minimum business tax.

Please note: for an out-of-city taxpayer with below-the-minimum taxable gross receipts (not qualifying for a small business exemption), the minimum tax due is prorated.

**Question:** If the small business exemption threshold increases to \$50,000 on July 1, 2005, do I need to wait until July 1, 2005 to apply for a small business exemption?

**Answer:** No. The small business exemption threshold increase becomes effective July 1, 2005 and only applies to renewing businesses and not new businesses. Additionally, this small business exemption has a timely filing requirement, which cannot be applied until January of 2006 (during the 2006 renewal period). If a business waits until July 1, 2005 to file a renewal, that business will be considered late and must pay any principal tax, interest and penalty.

**Question:** If I believe that I qualify for the small business exemption, does this mean that I do not have to report income of less than \$99,000?

**Answer:** No, all gross receipts applicable to in and out-of city (worldwide), both taxable and non-taxable must be reported. Please note that the small business exemption threshold increase of \$100,000 becomes effective July of 2006. The small business exemption only applies to businesses that are renewing in a timely manner. Therefore, the \$100,000 small business exemption cannot be applied until January of 2007 (during the 2007 renewal period).



CITY OF LA TAXES & P  
6652 VAN NUYS BLVD #118  
VAN NUYS CA 91401

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F N L E S 3-8-8-1

DATE: 01/16/08 TIME: 14:38:18  
FURN: 020125815474 STNR: 4381 TERN: 8802  
F N L E S 3-8-8-1

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DATE: 01/16/08 TIME: 14:38:18

THE TAXPAYER ACKNOWLEDGES RECEIPT OF  
TAXES AND/OR SERVICES IN THE AMOUNT OF  
THE TOTAL SHOWN HEREON AND AGREES TO  
PAYMENT OF THE SAME AS SET FORTH BY THE  
TAXPAYER'S AGREEMENT WITH THE ISSUER

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CITY OF LOS ANGELES  
CALIFORNIA



Antonio R. Villaraigosa  
Mayor

Antoinette Christovale  
Director of Finance

01/16/2008

TAXPAYER'S PAYMENT RECEIPT

Payment Amount	Seq. #
\$ 318.31	1

Account Number	Legal Name	Fund/Class Code	Tax Period	Measure	Other Identifier	Applied Amount
13-0001-3	CENTAUR GIRL PRODUCTIONS INC	L167	200600A			\$ 166.53
13-0001-3	CENTAUR GIRL PRODUCTIONS INC	L167	200700A			151.78





Office of Finance  
P.O. Box 53233  
Los Angeles CA 90053-0233

**CITY OF LOS ANGELES**  
CALIFORNIA



Antonio R. Villaraigosa  
Mayor

**Antoinette Christovale**  
Director of Finance

01/16/2008

**TAXPAYER'S PAYMENT RECEIPT**

Payment Date	Payment Type	Payment Amount	Seq. #
01/16/2008	Credit Card	\$ 318.31	1

Seq. #	Document Type	Account Number	Legal Name	Fund/Class Code	Tax Period	Measure	Other Identifier	Applied Amount
1		0002307513-0001-3	CENTAUR GIRL PRODUCTIONS INC	L167	200600A			\$ 166.53
1		0002307513-0001-3	CENTAUR GIRL PRODUCTIONS INC	L167	200700A			151.78

